April 5, 2016

Technical Director
File Reference No. 2016-200
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2016-200

Request for comments on Exposure Draft of Proposed Accounting Standards Update on Compensation – Retirement Benefits (Topic 715), or "the proposed update"

Visa Inc. is a global payments technology company that connects consumers, businesses, financial institutions and governments in more than 200 countries and territories to fast, secure and reliable electronic payments. We operate one of the world's most advanced processing networks which facilitates authorization, clearing and settlement of payment transactions worldwide.

We appreciate the opportunity to comment on the proposed update. Our responses to the questions posed in the exposure draft are provided below.

Question 1: Should the service cost component be reported in the income statement apart from the other components of net benefit cost as defined in paragraphs 715-30-35-4 and 715-60-35-9 and be the only component eligible to be capitalized in assets? Why or why not?

Yes. We support the FASB's proposal to disaggregate the service cost component from other components of net benefit cost in the income statement, and to prescribe such service cost as the only component eligible for capitalization in assets. In our view, service cost is the primary economic operating cost of an ongoing retirement plan as it is exclusively related to the current period's employee compensation cost and it is directly relevant in assessing an entity's continuing operating costs. All other components of net benefit cost (i.e., interest cost, expected return on plan assets, prior service cost or credit, and actuarial gains or losses) should be combined and presented as a separate non-operating item as they have different characteristics that are more akin to either investing or financing activities and should be viewed outside the entity's continuing operations. Also, this approach could reduce significant volatilities in operating income under the current practice of presenting aggregate net pension cost by separating those components that are subject to complex accounting rules and are highly susceptible to changes in market and actuarial assumptions.

Question 2: Would it be useful to require presentation of the prior service cost or credit component separately from the other components? Should all of the components of net benefit cost other than the service cost component (for example, the prior service cost or credit component) be presented outside a subtotal of income from operations, if one is presented? Why or why not?

No. We do not believe it would be useful to require presentation of the prior service cost or credit component separately from the other components. As stated in our answer to Question 1, we believe that all other components of net benefit cost should be combined as they are akin to either investing or financing activities; thus, this component should be presented together with all other components of net benefit cost apart from the service cost component, and outside the entity's income from operations. We believe this approach for dual-categorization is simpler for presentation in the income statement.

Question 3: Would it be useful to require presentation of the net amount of the interest cost component and expected return on plan assets separately from the other components of net benefit cost to improve convergence with International Financial Reporting Standards or for other purposes? Why or why not?

No. As stated in our answer to Question 2, we do not believe it would be useful to require further break-out of any of the other components of net benefit cost. They should be combined and presented together as non-operating income/expense as they are akin to either investing or financing activities.

Question 4: Would the proposed amendments improve the usefulness of financial information provided to users? Why or why not?

Yes. We believe that separating the service cost component from all other components would be useful as it would better reflect the true operating costs of the plan. We do not believe it is necessary nor useful to further break-out any of the other components. We believe the proposal would streamline the current accounting practice and improve the usefulness of financial information by separately highlighting the component of net benefit cost that is most important to users of the financial statements.

Question 7: How much time would be necessary to adopt the proposed amendments? Should early adoption be permitted? Would the amount of time needed to apply the proposed amendments by entities other than public business entities be different from the amount of time needed by public business entities? Why or why not?

We do not expect a significant amount of time required to implement the amendments in this proposal, and would not expect it to be different for public or other-than public business entities. Early adoption should be permitted.

Question 8: Should the proposed amendments be applied retrospectively for the presentation of the service cost component and other components of net benefit cost in the income statement and prospectively, on and after the effective date, for the capitalization of the service cost component of net benefit cost in assets when applicable?

We are supportive of the FASB's proposed transition requirements.

We appreciate the opportunity to submit our views to you. If you have any questions about our comments, please contact me at (650) 432-8165.

Sincerely,

/s/ James H. Hoffmeister
Corporate Controller

cc: Vasant Prabhu, Chief Financial Officer
Tracey Heaton, SVP, Chief Corporate Counsel